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The Society of the
Plastics Industry, Inc.

SPI

Financial And Operating Ratios

Survey No. 27
1988

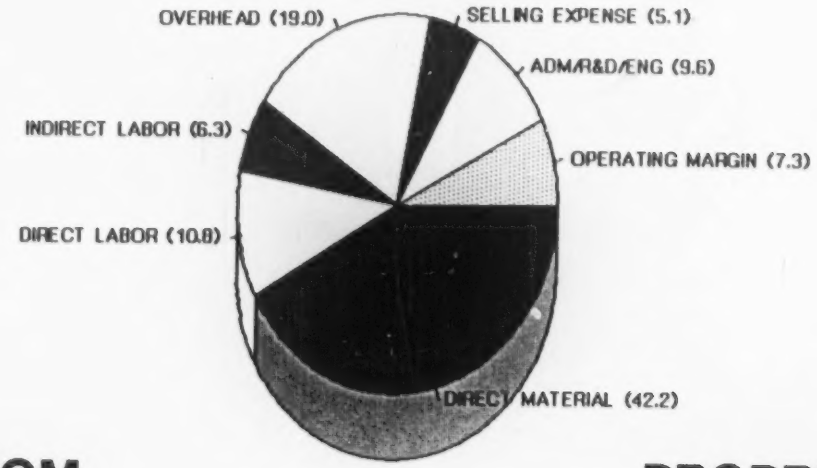
Calendar Year End: 1988
Release Date: July 1989

Plastics Processing Companies

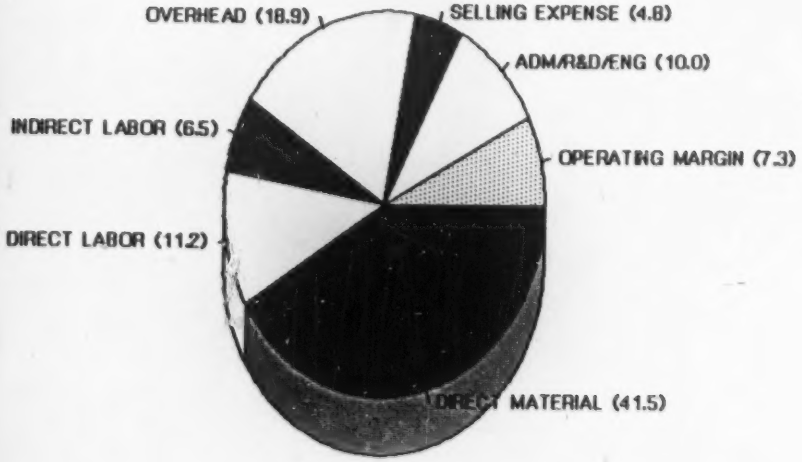
Sponsored by the Financial Management Committee of SPI

DISTRIBUTION OF SALES DOLLAR (Percent of Net Sales*)

TOTAL



CUSTOM



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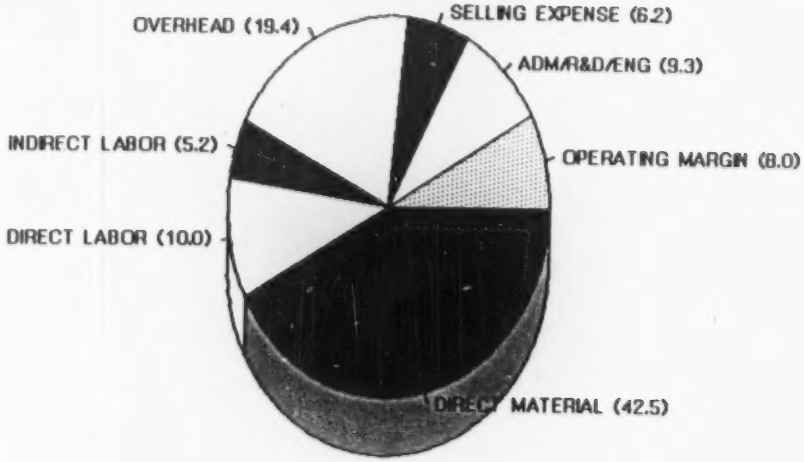


* Averages; may not add to 100%

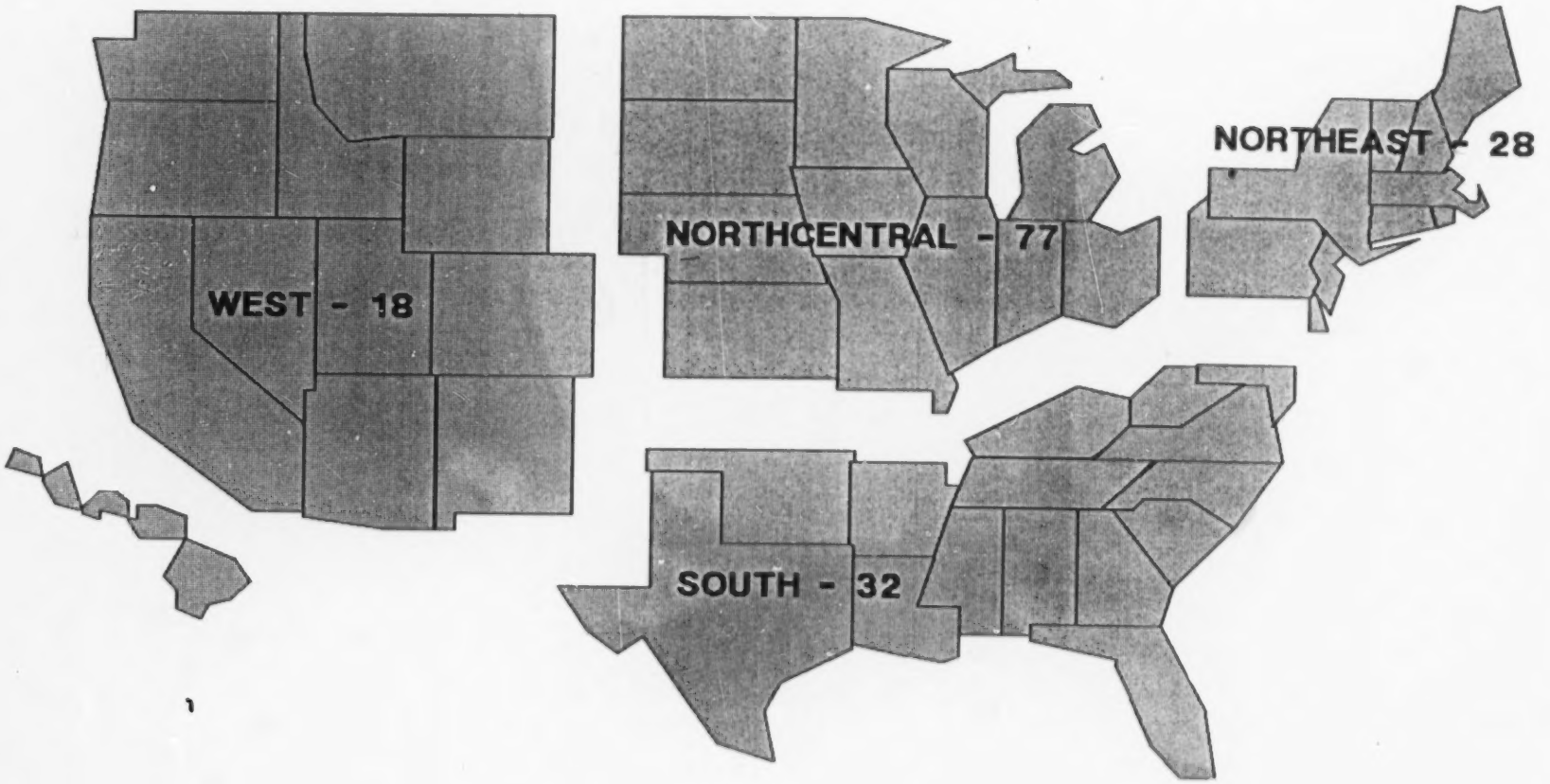
FINANCIAL AND OPERATING RATIOS SURVEY

SURVEY NO. 27 - 1988
PLASTICS PROCESSING COMPANIES

Sponsored by the Financial Management Committee
The Society of the Plastics Industry, Inc.

Compiled By Ernst & Whinney, Washington, D.C.
Association Services Group

NUMBER OF RESPONSES BY REGION



* 2 Canadian Responses

ABOUT THE FINANCIAL MANAGEMENT COMMITTEE. . .

The Financial Management Committee is comprised of executives from over one hundred plastics processing firms located throughout the United States. Each representative has an extensive background in finance, management, and manufacturing. The group meets regularly during the year to discuss industry problems and monitor the various survey programs.

At present, the Committee conducts annual and biennial surveys among the Society's plastics processing companies. They regularly sponsor a Financial and Operating Ratios Survey, a Salary and Sales Policy Survey, a Labor Survey, and an Employee Benefits Survey.

Besides the survey work, this group also conducts seminars and conferences.

For more information on how to become an active member of this important Committee, write to the Staff Director, Financial Management Committee, The Society of the Plastics Industry, Inc., 1275 K Street, N.W., Suite 400, Washington, D.C. 20005.

HOW TO ORDER

All orders for The Financial and Operating Ratios Survey No. 27, (1988) should be directed to the Literature Sales Department, The Society of the Plastics Industry, Inc., 1275 K Street, N.W., Suite 400, Washington, D.C. 20005. Checks made payable to SPI must accompany all orders. Price $75 per copy for SPI members and $150 for non-members.

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HIGHLIGHTS OF SURVEY

The twenty-seventh Financial & Operating Ratios Survey reports data from 150 SPI member companies representing 157 operations. The report provides an industry basis for individual companies to compare their financial and operating position to all companies as well as firms of similar size, processing methods, profitability and geographic location.

Any company whose business was equal to or greater than thirty percent custom or propriety was included in those analyses. Similarly, any company which had thirty percent or more of its business in a specific process type or end use application was included in those analyses. All income statement and balance sheet figures represent the average for companies providing percentages for specific line items, and as a result the statements may not sum. All statistical ratios represent the average for all companies providing the necessary data for the respective ratio. Definitions for specified statistical ratios are included in Appendix A.

Due to differences in the methodology used in calculating industry figures, comparisons to previous survey results have not been included. Subsequent surveys will contain comparisons to previous survey results.

NUMBER OF EMPLOYEES

NUMBER OF EMPLOYEES	SALES VOLUME				TOTAL
	< $5MM	$5-10MM	$10-25MM	> $25MM	
1 - 49	41	2	1		44
50 - 99	9	13	10	1	33
100 - 199	1	9	20	3	34 *
200 - 299		2	9	5	16
300 - 399			5	8	13
400 - 499				3	3
500 Or More				11	11
No Response	1	1	1		3
TOTAL	52	27	46	31	157 *

* One company did not provide net sales, therefore their data appears in the total column only.

PERCENT CHANGE IN NET SALES

PERCENT CHANGE IN SALES 1987-1988	SALES VOLUME				TOTAL
	< $5MM	$5-10MM	$10-25MM	> $25MM	
<= 0%	11	5	3	1	20
1 - 9.9%	10	6	6	7	29
10 - 19.9%	12	5	13	9	40 *
20 - 29.9%	6	5	9	5	25
30 - 39.9%	4	2	3	2	11
40 - 49.9%	1	1	4	3	9
50% Or More	5	2	6	3	16
No Response	3	1	2	1	7
TOTAL	52	27	46	31	157 *

* One company did not provide net sales, therefore their data appears in the total column only.

BALANCE SHEET (1) [Number of Responses*]	TOTAL [157]	SALES VOLUME < $5MM [52]	$5-10MM [27]	$10-25MM [46]	> $25MM [31]
Cash and Marketable Securities	5.6	7.5	4.4	6.1	3.2
Accounts Receivable	27.4	28.8	29.5	28.1	22.2
Raw Materials	11.3	12.0	11.7	11.4	9.4
Work in Progress	2.7	2.6	3.8	2.3	2.2
Finished Goods	7.9	6.3	8.2	8.5	8.7
LIFO Reserve	(1.4)	(0.3)	(1.3)	(2.1)	(2.0)
Inventory, Total	20.2	20.5	22.2	19.8	18.6
Packaging & Shipping Supplies	0.4	0.5	0.4	0.3	0.2
Other	2.7	2.9	3.0	2.2	2.9
Other Current Assets, Total	3.1	3.4	3.3	2.5	3.4
TOTAL CURRENT ASSETS	55.3	59.5	59.4	53.9	46.8
Land and Buildings (net of depreciation)	11.5	9.3	9.3	12.5	15.7
Machinery and Equipment (net of depreciation)	26.3	25.3	24.7	25.6	30.1
Other Long Term Assets	6.5	5.2	6.4	7.3	7.3
TOTAL ASSETS	100.0	100.0	100.0	100.0	100.0
Accounts Payable	16.7	15.7	19.1	17.4	15.1
Other Current Liabilities	9.0	6.9	8.9	12.3	8.0
Notes Payable	9.4	14.0	7.1	8.1	5.0
Current Portion of Long Term Debt	4.5	6.1	4.7	3.6	3.0
TOTAL CURRENT LIABILITIES	39.8	43.2	39.9	41.8	31.2
Long Term Debt (less current portion)	9.5	8.1	7.7	9.2	13.8
TOTAL LIABILITIES	48.9	51.4	44.9	51.0	45.0
EQUITY (NET WORTH)	51.0	48.6	52.9	49.8	55.0
INCOME STATEMENT (2)					
Net Sales	100.0	100.0	100.0	100.0	100.0
Direct Materials	42.2	37.1	41.6	44.7	47.5
Direct Labor	10.8	14.8	9.8	9.7	7.2
Indirect Labor	6.3	5.7	7.6	6.0	6.5
Manufacturing Personnel Fringe Benefits	3.9	3.4	4.0	4.2	3.9
Depreciation Expense	3.3	3.8	3.3	2.9	3.4
Other Manufacturing Expense	11.8	11.1	12.5	11.7	12.4
Total Production Related Expenses (COGS)	78.2	75.7	78.4	79.1	80.4
GROSS MARGIN	21.8	24.3	21.6	20.9	19.6
Sales Salaries, Commissions, Fringe Benefits	3.3	3.8	3.4	3.3	2.6
Other Selling Expense	1.8	1.9	1.3	1.6	2.2
Administrative Expense (includes Engineering & R&D Salaries)	9.0	12.9	9.9	7.1	5.4
Other Engineering/R&D Expense	0.6	0.5	0.2	0.7	0.7
Total Non-Production Related Expenses (SG&A)	14.5	18.8	14.5	12.5	10.9
OPERATING MARGIN	7.3	5.5	7.1	8.3	8.7
Interest Expense (Income)	1.2	1.6	1.1	0.7	1.3
Other Expense (Income)	0.4	0.1	0.8	0.5	0.1
Profit Before Income Taxes	5.8	3.8	5.0	7.1	7.4
Income Taxes	1.4	0.5	1.7	1.7	1.8
Profit After Income Taxes	4.4	3.3	3.4	5.2	5.6

Some companies did not respond to every line item, therefore the sum of the average breakouts may not equal the average total.
*One company did not provide net sales, therefore their data appears in the total column only.
(1) Averages as a percent of Total Assets.
(2) Averages as a percent of Net Sales.

STATISTICAL DATA (3) [Number of Responses*]	TOTAL [157]	SALES VOLUME < $5MM [52]	$5-10MM [27]	$10-25MM [46]	> $25MM [31]
Net Sales/Average Number Employees	$103,943	$75,818	$87,257	$114,473	$148,923
Net Sales/All Employee Hours	$52	$38	$44	$56	$73
Net Sales/Production Worker Hours	$82	$65	$65	$95	$104
Total Employment Costs/Net Sales	29.7%	36.3%	31.0%	27.2%	23.4%
Production Worker Employment Costs/Net Sales	21.0%	23.9%	21.8%	19.8%	17.5%
Total Employment Costs/LBS. Processed	$1.06	$1.31	$1.46	$0.76	$0.92
Production Worker Employment Costs/LBS. Processed	$0.74	$0.88	$0.96	$0.56	$0.63
COGS/LBS. Processed	$2.67	$2.71	$3.55	$2.14	$2.71
Productive Machine Hrs./Available Machine Hrs.	54.8%	43.8%	53.3%	57.9%	68.2%
Inventory Turnover (times)	11.2	12.0	9.0	11.9	10.6
Average Collection Period (days)	49	49	50	47	48
Return on Assets (before tax)	12.6%	8.9%	13.3%	15.3%	13.4%
Return on Equity (before tax)	35.6%	41.2%	33.5%	34.4%	30.0%
Return on Assets (after tax)	9.6%	8.1%	8.8%	11.2%	10.0%
Return on Equity (after tax)	29.4%	41.7%	22.0%	26.1%	21.7%
Percent Change in Net Sales 1987-1988	21.4%	17.2%	15.9%	28.9%	22.6%

(3) Each average is calculated using only those companies providing data necessary for the respective calculation.
* One company did not provide net sales, therefore their data appears in the total column only.

BALANCE SHEET (1) [Number of Responses*]	CUSTOM PROCESSORS TOTAL [127]	SALES VOLUME < $5MM [44]	$5-10MM [22]	$10-25MM [35]	> $25MM [25]
Cash and Marketable Securities	5.5	6.7	5.1	5.7	3.8
Accounts Receivable	27.5	29.1	30.4	28.3	21.2
Raw Materials	11.3	12.0	12.8	11.1	9.3
Work in Progress	2.8	2.7	3.6	2.8	2.2
Finished Goods	6.2	5.4	6.4	6.0	7.5
LIFO Reserve	(1.2)	(0.4)	(1.0)	(1.5)	(2.1)
Inventory, Total	19.0	19.6	21.5	18.3	16.7
Packaging & Shipping Supplies	0.4	0.4	0.4	0.3	0.3
Other	2.9	3.1	3.4	2.3	2.9
Other Current Assets, Total	3.3	3.5	3.7	2.5	3.6
TOTAL CURRENT ASSETS	55.4	58.9	60.7	54.9	45.4
Land and Buildings (net of depreciation)	11.5	9.3	9.8	11.7	16.4
Machinery and Equipment (net of depreciation)	25.4	25.8	21.5	24.4	29.5
Other Long Term Assets	7.7	6.0	7.6	9.0	8.8
TOTAL ASSETS	100.0	100.0	100.0	100.0	100.0
Accounts Payable	17.0	15.0	20.1	18.6	15.4
Other Current Liabilities	9.1	7.1	8.6	12.8	7.8
Notes Payable	10.3	15.0	10.1	7.8	5.7
Current Portion of Long Term Debt	4.7	6.7	4.3	3.6	3.3
TOTAL CURRENT LIABILITIES	41.2	43.8	43.3	42.8	32.2
Long Term Debt (less current portion)	10.1	8.5	8.9	8.9	15.6
TOTAL LIABILITIES	50.7	52.3	48.9	51.7	47.8
EQUITY (NET WORTH)	48.9	47.7	48.7	48.3	52.2
INCOME STATEMENT (2)					
Net Sales	100.0	100.0	100.0	100.0	100.0
Direct Materials	41.5	36.1	42.1	43.7	47.1
Direct Labor	11.2	15.1	10.3	9.8	7.4
Indirect Labor	6.5	6.2	6.9	6.5	6.9
Manufacturing Personnel Fringe Benefits	4.0	3.8	4.0	4.3	3.9
Depreciation Expense	3.3	3.9	2.9	2.7	3.4
Other Manufacturing Expense	11.6	10.8	12.7	11.3	12.4
Total Production Related Expenses (COGS)	78.0	75.8	78.4	78.3	81.0
GROSS MARGIN	22.0	24.2	21.6	21.7	19.0
Sales Salaries, Commissions, Fringe Benefits	3.2	3.6	3.0	3.4	2.4
Other Selling Expense	1.6	1.8	1.2	1.2	2.0
Administrative Expense (includes Engineering & R&D Salaries)	9.4	13.0	10.4	7.4	5.5
Other Engineering/R&D Expense	0.6	0.5	0.2	0.8	0.8
Total Non-Production Related Expenses (SG&A)	14.6	18.7	14.6	12.7	10.7
OPERATING MARGIN	7.3	5.4	7.0	9.0	8.3
Interest Expense (Income)	1.3	1.7	1.0	0.8	1.4
Other Expense (Income)	0.3	A	0.6	0.6	(0.1)
Profit Before Income Taxes	5.7	3.7	5.1	7.6	6.9
Income Taxes	1.3	0.5	1.5	1.8	1.7
Profit After Income Taxes	4.4	3.2	3.6	5.6	5.3

A - Less than 0.1%

Some companies did not respond to every line item, therefore the sum of the average breakouts may not equal the average total.
*One company did not provide net sales, therefore their data appears in the total column only.
(1) Averages as a percent of Total Assets.
(2) Averages as a percent of Net Sales.

STATISTICAL DATA (3) [Number of Responses*]	CUSTOM PROCESSORS TOTAL [127]	SALES VOLUME < $5MM [44]	$5-10MM [27]	$10-25MM [35]	> $25MM [25]
Net Sales/Average Number Employees	$98,146	$70,782	$82,525	$105,794	$147,627
Net Sales/All Employee Hours	$50	$38	$42	$52	$72
Net Sales/Production Worker Hours	$77	$67	$62	$78	$103
Total Employment Costs/Net Sales	30.8%	37.4%	30.9%	28.5%	24.2%
Production Worker Employment Costs/Net Sales	21.8%	25.0%	21.6%	20.6%	18.2%
Total Employment Costs/LBS. Processed	$1.15	$1.37	$1.42	$0.88	$1.05
Production Worker Employment Costs/LBS. Processed	$0.80	$0.93	$0.90	$0.66	$0.71
COGS/LBS. Processed	$2.89	$2.85	$3.48	$2.48	$3.10
Productive Machine Hrs./Available Machine Hrs.	52.4%	41.8%	48.9%	57.2%	65.7%
Inventory Turnover (times)	11.9	12.7	9.2	12.9	11.8
Average Collection Period (days)	49	51	52	48	46
Return on Assets (before tax)	12.4%	9.0%	12.0%	16.1%	12.9%
Return on Equity (before tax)	38.8%	45.3%	37.6%	37.6%	30.2%
Return on Assets (after tax)	9.4%	7.7%	8.3%	11.9%	9.7%
Return on Equity (after tax)	31.5%	43.1%	25.9%	28.2%	21.7%
Percent Change in Net Sales 1987-1988	20.6%	16.2%	16.2%	29.1%	21.1%

(3) Each average is calculated using only those companies providing data necessary for the respective calculation.
* One company did not provide net sales, therefore their data appears in the total column only.

BALANCE SHEET (1) [Number of Responses]	PROPRIETARY PROCESSORS TOTAL [47]	SALES VOLUME < $5MM [12]	$5-10MM [8]	$10-25MM [16]	> $25MM [11]
Cash and Marketable Securities	4.9	7.8	3.2	6.4	1.4
Accounts Receivable	25.8	26.7	25.7	27.7	22.3
Raw Materials	10.6	13.2	8.7	11.5	8.9
Work in Progress	2.1	1.9	4.1	1.3	1.6
Finished Goods	14.0	10.8	13.5	15.7	14.7
LIFO Reserve	(1.9)	A	(1.4)	(3.5)	(1.9)
Inventory, Total	24.2	25.6	25.0	23.0	24.1
Packaging & Shipping Supplies	0.4	0.6	0.8	0.2	0.2
Other	2.1	1.9	2.5	1.9	2.2
Other Current Assets, Total	2.4	2.4	3.3	2.1	2.3
TOTAL CURRENT ASSETS	53.8	59.6	57.3	51.1	48.3
Land and Buildings (net of depreciation)	12.5	7.1	12.9	15.2	14.6
Machinery and Equipment (net of depreciation)	28.3	28.5	28.4	28.4	28.0
Other Long Term Assets	4.4	2.8	1.4	4.4	8.4
TOTAL ASSETS	100.0	100.0	100.0	100.0	100.0
Accounts Payable	12.8	14.7	12.3	12.4	11.6
Other Current Liabilities	8.7	5.6	9.9	12.4	7.1
Notes Payable	7.1	11.5	19.1	9.5	7.2
Current Portion of Long Term Debt	4.9	6.4	6.5	3.5	3.1
TOTAL CURRENT LIABILITIES	34.1	40.2	47.5	38.6	28.7
Long Term Debt (less current portion)	12.0	12.2	8.4	14.4	11.9
TOTAL LIABILITIES	46.4	53.5	57.1	52.9	40.5
EQUITY (NET WORTH)	54.4	46.5	42.9	50.0	59.5
INCOME STATEMENT (2)					
Net Sales	100.0	100.0	100.0	100.0	100.0
Direct Materials	42.5	36.9	37.4	45.2	47.9
Direct Labor	10.0	16.0	8.6	9.2	6.8
Indirect Labor	5.2	2.8	8.3	4.5	6.1
Manufacturing Personnel Fringe Benefits	3.7	1.8	4.3	4.3	4.2
Depreciation Expense	3.7	3.8	4.8	3.5	3.4
Other Manufacturing Expense	12.0	11.9	13.1	11.7	11.8
Total Production Related Expenses (COGS)	76.9	73.5	76.4	78.2	79.2
GROSS MARGIN	23.1	26.5	23.7	21.8	20.8
Sales Salaries, Commissions, Fringe Benefits	3.8	3.1	5.0	3.8	3.3
Other Selling Expense	2.4	1.5	1.4	3.1	3.1
Administrative Expense (includes Engineering & R&D Salaries)	8.8	15.7	10.7	6.6	4.9
Other Engineering/R&D Expense	0.5	0.7	0.1	0.5	0.5
Total Non-Production Related Expenses (SG&A)	15.1	19.2	17.2	13.5	11.6
OPERATING MARGIN	8.0	7.4	6.5	8.3	9.2
Interest Expense (Income)	1.2	1.1	1.5	0.9	1.2
Other Expense (Income)	0.5	0.5	1.0	0.5	0.1
Profit Before Income Taxes	6.4	7.8	4.0	6.9	8.0
Income Taxes	2.0	1.3	1.8	2.4	2.1
Profit After Income Taxes	5.0	7.5	2.2	4.7	6.0

Some companies did not respond to every line item, therefore the sum of the average breakouts may not equal the average total.
(1) Averages as a percent of Total Assets.
(2) Averages as a percent of Net Sales.

STATISTICAL DATA (3) [Number of Responses]	PROPRIETARY PROCESSORS [47]	SALES VOLUME < $5MM [12]	$5-10MM [8]	$10-25MM [16]	> $25MM [11]
Net Sales/Average Number Employees	$108,806	$71,537	$88,464	$130,800	$130,878
Net Sales/All Employee Hours	$54	$35	$44	$67	$64
Net Sales/Production Worker Hours	$87	$47	$64	$131	$90
Total Employment Costs/Net Sales	27.3%	32.9%	32.2%	24.8%	22.5%
Production Worker Employment Costs/Net Sales	18.9%	20.7%	21.1%	17.9%	17.0%
Total Employment Costs/LBS. Processed	$0.80	$0.92	$1.53	$0.63	$0.34
Production Worker Employment Costs/LBS. Processed	$0.55	$0.60	$1.07	$0.40	$0.26
COGS/LBS. Processed	$2.01	$2.00	$3.56	$1.72	$1.19
Productive Machine Hrs./Available Machine Hrs.	58.2%	44.7%	59.1%	59.0%	69.9%
Inventory Turnover (times)	7.3	6.7	7.7	8.3	6.1
Average Collection Period (days)	48	47	45	49	51
Return on Assets (before tax)	13.4%	10.4%	14.3%	15.2%	13.3%
Return on Equity (before tax)	26.5%	32.6%	12.9%	35.8%	17.2%
Return on Assets (after tax)	10.6%	15.6%	8.6%	9.9%	9.1%
Return on Equity (after tax)	21.6%	39.3%	5.3%	25.8%	10.4%
Percent Change in Net Sales 1987-1988	24.8%	35.5%	13.5%	26.5%	20.7%

(3) Each average is calculated using only those companies providing data necessary for the respective calculation.

BALANCE SHEET (1) [Number of Responses]	CUSTOM PROCESSORS TOTAL [127]	PROCESS TYPE			
		COMPRESSION/ TRANSFER [19]	EXTRUSION [19]	INJECTION MOLDING [52]	THERMO-FORMING [15]
Cash and Marketable Securities	5.5	2.6	6.6	5.5	5.9
Accounts Receivable	27.5	24.0	24.4	27.8	30.6
Raw Materials	11.3	6.6	15.7	9.7	15.8
Work in Progress	2.8	5.2	0.6	3.1	1.6
Finished Goods	6.2	3.7	7.5	5.6	6.5
LIFO Reserve	(1.2)	(1.1)	(2.8)	(0.3)	(1.3)
Inventory, Total	19.0	14.9	21.0	17.7	22.7
Packaging & Shipping Supplies	0.4	0.2	0.5	0.4	0.3
Other	2.9	3.0	2.4	2.9	3.3
Other Current Assets, Total	3.3	3.9	2.7	3.2	3.6
TOTAL CURRENT ASSETS	55.4	45.4	54.7	54.2	62.8
Land and Buildings (net of depreciation)	11.5	13.8	13.3	10.2	13.1
Machinery and Equipment (net of depreciation)	25.4	26.8	20.3	29.4	21.4
Other Long Term Assets	7.7	14.0	11.7	6.0	3.6
TOTAL ASSETS	100.0	100.0	100.0	100.0	100.0
Accounts Payable	17.0	16.4	16.1	17.3	16.7
Other Current Liabilities	9.1	9.8	8.9	9.1	9.0
Notes Payable	10.3	6.0	6.7	13.1	8.4
Current Portion of Long Term Debt	4.7	2.2	2.1	6.2	5.6
TOTAL CURRENT LIABILITIES	41.2	34.3	33.8	45.6	39.8
Long Term Debt (less current portion)	10.1	6.0	7.0	9.9	21.6
TOTAL LIABILITIES	50.7	40.4	40.7	55.5	57.4
EQUITY (NET WORTH)	48.9	59.6	59.3	44.5	39.6
INCOME STATEMENT (2)					
Net Sales	100.0	100.0	100.0	100.0	100.0
Direct Materials	41.5	38.2	51.4	38.0	41.5
Direct Labor	11.2	12.4	8.9	11.8	12.9
Indirect Labor	6.5	9.3	4.9	8.4	5.1
Manufacturing Personnel Fringe Benefits	4.0	6.2	2.6	4.5	3.5
Depreciation Expense	3.3	2.9	2.5	3.8	2.3
Other Manufacturing Expense	11.6	13.9	7.8	13.5	11.5
Total Production Related Expenses (COGS)	78.0	82.9	77.8	79.9	76.7
GROSS MARGIN	22.0	17.1	22.2	20.1	23.3
Sales Salaries, Commissions, Fringe Benefits	3.2	1.8	2.8	2.4	4.8
Other Selling Expense	1.6	1.2	1.9	1.0	1.5
Administrative Expense (includes Engineering & R&D Salaries)	9.4	8.3	8.4	9.5	9.1
Other Engineering/R&D Expense	0.6	0.7	1.2	0.4	0.9
Total Non-Production Related Expenses (SG&A)	14.6	11.9	14.1	13.2	16.1
OPERATING MARGIN	7.3	5.2	8.1	6.7	7.2
Interest Expense (Income)	1.3	0.7	1.0	1.5	1.2
Other Expense (Income)	0.3	0.1	0.2	0.2	0.6
Profit Before Income Taxes	5.7	4.5	7.0	4.8	5.5
Income Taxes	1.3	1.1	1.9	1.1	0.4
Profit After Income Taxes	4.4	3.5	5.4	3.7	4.1

Some companies did not respond to every line item, therefore the sum of the average breakouts may not equal the average total.
(1) Averages as a percent of Total Assets.
(2) Averages as a percent of Net Sales.

STATISTICAL DATA (3) [Number of Responses]	CUSTOM PROCESSORS TOTAL [127]	PROCESS TYPE			
		COMPRESSION/ TRANSFER [19]	EXTRUSION [19]	INJECTION MOLDING [52]	THERMO-FORMING [15]
Net Sales/Average Number Employees	$98,146	$74,703	$160,172	$75,896	$124,838
Net Sales/All Employee Hours	$50	$38	$81	$38	$61
Net Sales/Production Worker Hours	$77	$51	$134	$56	$101
Total Employment Costs/Net Sales	30.8%	35.2%	24.9%	33.5%	32.1%
Production Worker Employment Costs/Net Sales	21.8%	28.0%	16.4%	24.8%	21.4%
Total Employment Costs/LBS. Processed	$1.15	$0.91	$0.48	$1.26	$1.87
Production Worker Employment Costs/LBS. Processed	$0.80	$0.69	$0.32	$1.01	$1.09
COGS/LBS. Processed	$2.89	$2.15	$1.21	$3.41	$3.95
Productive Machine Hrs./Available Machine Hrs.	52.4%	50.6%	62.5%	54.2%	38.0%
Inventory Turnover (times)	11.9	13.8	13.0	12.4	10.7
Average Collection Period (days)	49	48	43	50	52
Return on Assets (before tax)	12.4%	9.5%	14.4%	11.1%	12.9%
Return on Equity (before tax)	38.8%	17.7%	20.7%	53.4%	39.6%
Return on Assets (after tax)	9.4%	7.3%	11.4%	8.5%	9.7%
Return on Equity (after tax)	31.5%	12.8%	17.2%	43.5%	34.4%
Percent Change in Net Sales 1987-1988	20.6%	10.2%	17.8%	22.1%	14.6%

(3) Each average is calculated using only those companies providing data necessary for the respective calculation.

BALANCE SHEET (1) [Number of Responses]	PROPRIETARY PROCESSORS TOTAL [47]	PROCESS TYPE	
		EXTRUSION [14]	INJECTION MOLDING [13]
Cash and Marketable Securities	4.9	2.7	6.5
Accounts Receivable	25.8	31.4	20.8
Raw Materials	10.6	12.3	10.1
Work in Progress	2.1	2.9	1.3
Finished Goods	14.0	17.7	11.1
LIFO Reserve	(1.9)	(2.9)	(3.4)
Inventory, Total	24.2	29.5	18.9
Packaging & Shipping Supplies	0.4	0.2	1.0
Other	2.1	2.2	2.3
Other Current Assets, Total	2.4	2.4	3.2
TOTAL CURRENT ASSETS	53.8	57.1	49.4
Land and Buildings (net of depreciation)	12.5	9.2	17.2
Machinery and Equipment (net of depreciation)	28.3	26.9	30.0
Other Long Term Assets		2.6	4.7
TOTAL ASSETS	100.0	100.0	100.0
Accounts Payable	12.8	15.7	11.1
Other Current Liabilities	8.7	9.2	9.6
Notes Payable	7.1	9.2	17.7
Current Portion of Long Term Debt	4.9	3.9	5.2
TOTAL CURRENT LIABILITIES	34.1	38.2	44.0
Long Term Debt (less current portion)	12.0	6.7	7.0
TOTAL LIABILITIES	46.4	45.8	51.0
EQUITY (NET WORTH)	54.4	54.2	51.6
INCOME STATEMENT (2)			
Net Sales	100.0	100.0	100.0
Direct Materials	42.5	50.3	37.7
Direct Labor	10.0	5.9	12.3
Indirect Labor	5.2	5.3	8.9
Manufacturing Personnel Fringe Benefits	3.7	2.8	5.2
Depreciation Expense	3.7	2.9	4.0
Other Manufacturing Expense	12.0	11.1	12.3
Total Production Related Expenses (COGS)	76.9	78.3	79.3
GROSS MARGIN	23.1	21.7	20.7
Sales Salaries, Commissions, Fringe Benefits	3.8	3.0	4.3
Other Selling Expense	2.4	3.6	1.6
Administrative Expense (includes Engineering & R&D Salaries)	8.8	7.8	8.0
Other Engineering/R&D Expense	0.5	0.3	0.8
Total Non-Production Related Expenses (SG&A)	15.1	15.7	14.1
OPERATING MARGIN	8.0	6.0	6.6
Interest Expense (Income)	1.2	0.3	1.4
Other Expense (Income)	0.5	0.7	0.7
Profit Before Income Taxes	6.4	5.0	4.6
Income Taxes	2.0	2.7	1.5
Profit After Income Taxes	5.0	4.0	3.3

Some companies did not respond to every line item, therefore the sum of the average breakouts may not equal the average total.
(1) Averages as a percent of Total Assets.
(2) Averages as a percent of Net Sales.

STATISTICAL DATA (3) [Number of Responses]	PROPRIETARY PROCESSORS TOTAL [47]	PROCESS TYPE	
		EXTRUSION [14]	INJECTION MOLDING [13]
Net Sales/Average Number Employees	$108,806	$154,720	$86,841
Net Sales/All Employee Hours	$54	$76	$43
Net Sales/Production Worker Hours	$87	$143	$62
Total Employment Costs/Net Sales	27.3%	19.8%	35.3%
Production Worker Employment Costs/Net Sales	18.9%	14.0%	26.8%
Total Employment Costs/LBS. Processed	$0.80	$0.66	$1.00
Production Worker Employment Costs/LBS. Processed	$0.55	$0.49	$0.74
COGS/LBS. Processed	$2.01	$1.78	$1.90
Productive Machine Hrs./Available Machine Hrs.	58.2%	72.7%	58.8%
Inventory Turnover (times)	7.3	6.6	9.3
Average Collection Period (days)	48	54	39
Return on Assets (before tax)	13.4%	14.5%	8.8%
Return on Equity (before tax)	26.5%	5.2%	16.4%
Return on Assets (after tax)	10.6%	13.1%	6.4%
Return on Equity (after tax)	21.6%	9.6%	11.0%
Percent Change in Net Sales 1987-1988	24.8%	26.7%	18.5%

(3) Each average is calculated using only those companies providing data necessary for the respective calculation.

BALANCE SHEET (1) [Number of Responses*]	TOTAL [157]	PROFITABILITY (PBT) < 3.0% [47]	3.0 - 5.9% [34]	6.0 - 9.0% [37]	> 9.0% [36]
Cash and Marketable Securities	5.6	4.5	3.5	4.8	10.0
Accounts Receivable	27.4	29.3	27.4	26.3	25.8
Raw Materials	11.3	12.7	11.4	10.3	10.2
Work in Progress	2.7	3.1	2.9	2.3	2.4
Finished Goods	7.9	9.1	8.4	6.9	6.9
LIFO Reserve	(1.4)	(1.8)	(1.4)	(0.8)	(1.5)
Inventory, Total	20.2	22.8	21.2	18.9	17.7
Packaging & Shipping Supplies	0.4	0.5	0.4	0.2	0.3
Other	2.7	2.8	3.9	2.1	2.0
Other Current Assets, Total	3.1	3.3	4.2	2.7	2.2
TOTAL CURRENT ASSETS	55.3	59.2	55.1	52.2	53.5
Land and Buildings (net of depreciation)	11.5	12.2	10.0	12.3	12.1
Machinery and Equipment (net of depreciation)	26.3	25.3	26.9	28.1	25.6
Other Long Term Assets	6.5	3.1	7.0	7.6	7.8
TOTAL ASSETS	100.0	100.0	100.0	100.0	100.0
Accounts Payable	16.7	18.4	16.9	19.8	11.2
Other Current Liabilities	9.0	8.1	9.6	9.0	10.2
Notes Payable	9.4	13.5	15.4	9.2	2.7
Current Portion of Long Term Debt	4.5	4.7	7.3	3.9	2.1
TOTAL CURRENT LIABILITIES	39.8	44.9	50.5	42.0	26.1
Long Term Debt (less current portion)	9.5	10.4	9.5	8.8	9.4
TOTAL LIABILITIES	48.9	53.8	60.3	50.7	35.7
EQUITY (NET WORTH)	51.0	45.9	39.7	49.3	64.3
INCOME STATEMENT (2)					
Net Sales	100.0	100.0	100.0	100.0	100.0
Direct Materials	42.2	41.7	43.6	44.0	39.5
Direct Labor	10.8	12.6	10.8	9.1	10.1
Indirect Labor	6.3	8.1	5.0	5.6	5.9
Manufacturing Personnel Fringe Benefits	3.9	4.3	3.5	3.7	3.9
Depreciation Expense	3.3	3.3	3.7	3.7	2.7
Other Manufacturing Expense	11.8	12.4	13.2	11.5	10.2
Total Production Related Expenses (COGS)	78.2	82.3	79.6	77.6	72.0
GROSS MARGIN	21.8	17.7	20.4	22.4	28.0
Sales Salaries, Commissions, Fringe Benefits	3.3	3.7	3.9	3.2	2.7
Other Selling Expense	1.8	1.5	2.3	1.8	1.5
Administrative Expense (includes Engineering & R&D Salaries)	9.0	10.7	8.5	7.6	8.7
Other Engineering/R&D Expense	0.6	0.4	0.5	0.6	0.8
Total Non-Production Related Expenses (SG&A)	14.5	16.3	14.6	13.0	13.6
OPERATING MARGIN	7.3	1.4	5.7	9.4	14.4
Interest Expense (Income)	1.2	1.6	1.5	1.3	0.3
Other Expense (Income)	0.4	0.3	A	0.6	0.4
Profit Before Income Taxes	5.8	(0.5)	4.0	7.5	13.8
Income Taxes	1.4	(0.1)	1.0	1.6	3.5
Profit After Income Taxes	4.4	(0.1)	3.0	6.0	10.4

A - less than 0.1%

Some companies did not respond to every line item, therefore the sum of the average breakouts may not equal the average total
*Three companies did not provide profit before tax, therefore their data appears in the total column only.
(1) Averages as a percent of Total Assets.
(2) Averages as a percent of Net Sales.

STATISTICAL DATA (3) [Number of Responses*]	TOTAL [157]	PROFITABILITY (PBT) < 3.0% [47]	3.0 - 5.9% [34]	6.0 - 9.0% [37]	> 9.0% [36]
Net Sales/Average Number Employees	$103,943	$97,510	$107,375	$112,654	$104,438
Net Sales/All Employee Hours	$52	$51	$52	$55	$52
Net Sales/Production Worker Hours	$82	$80	$90	$79	$84
Total Employment Costs/Net Sales	29.7%	35.0%	28.7%	25.3%	28.2%
Production Worker Employment Costs/Net Sales	21.0%	25.1%	19.4%	18.4%	19.9%
Total Employment Costs/LBS. Processed	$1.06	$1.24	$1.01	$0.88	$1.05
Production Worker Employment Costs/LBS. Processed	$0.74	$0.90	$0.67	$0.61	$0.70
COGS/LBS. Processed	$2.67	$2.79	$2.51	$2.66	$2.69
Productive Machine Hrs./Available Machine Hrs.	54.8%	48.5%	55.1%	66.7%	52.7%
Inventory Turnover (times)	11.2	10.8	12.2	11.5	10.4
Average Collection Period (days)	49	50	48	50	45
Return on Assets (before tax)	12.6%	(0.2%)	8.8%	15.1%	30.2%
Return on Equity (before tax)	35.6%	1.5%	57.2%	46.5%	52.2%
Return on Assets (after tax)	9.6%	0.7%	6.5%	12.3%	22.1%
Return on Equity (after tax)	29.4%	2.7%	51.6%	38.0%	39.6%
Percent Change in Net Sales 1987-1988	21.4%	14.7%	23.2%	22.3%	27.6%

(3) Each average is calculated using only those companies providing data necessary for the respective calculation.
* Three companies did not provide profit before tax, therefore their data appears in the total column only.

BALANCE SHEET (1) [Number of Responses]	TOTAL [157]	END USE APPLICATION				
		CONSTRUCTION [19]	ELECTRICAL [11]	ELECTRONICS [46]	PACKAGING [31]	TRANS-PORTATION [28]
Cash and Marketable Securities	5.6	9.6	3.3	9.6	5.6	7.2
Accounts Receivable	27.4	29.1	25.2	26.1	24.4	28.7
Raw Materials	11.3	13.0	11.1	10.1	12.0	9.8
Work in Progress	2.7	2.3	1.6	4.4	0.9	4.5
Finished Goods	7.9	9.7	8.8	6.4	10.3	5.7
LIFO Reserve	(1.4)	(2.2)	(0.4)	(0.6)	(2.8)	(1.5)
Inventory, Total	20.2	22.5	20.2	20.4	20.3	18.3
Packaging & Shipping Supplies	0.4	0.7	A	0.1	0.4	0.3
Other	2.7	2.9	2.6	1.7	2.6	2.8
Other Current Assets, Total	3.1	3.6	2.6	1.8	2.9	3.7
TOTAL CURRENT ASSETS	55.3	63.3	51.2	57.9	52.7	57.9
Land and Buildings (net of depreciation)	11.5	9.9	11.5	15.1	11.8	11.4
Machinery and Equipment (net of depreciation)	26.3	15.8	25.7	24.5	32.7	25.6
Other Long Term Assets	6.5	8.1	11.6	2.5	3.1	5.5
TOTAL ASSETS	100.0	100.0	100.0	100.0	100.0	100.0
Accounts Payable	16.7	16.8	14.9	13.6	16.3	22.3
Other Current Liabilities	9.0	6.6	7.3	7.8	7.9	12.7
Notes Payable	9.4	10.5	8.3	13.7	11.4	0.6
Current Portion of Long Term Debt	4.5	4.1	4.2	4.2	5.2	3.3
TOTAL CURRENT LIABILITIES	39.8	37.9	36.6	39.3	41.1	39.2
Long Term Debt (less current portion)	9.5	6.9	12.5	3.9	10.7	7.7
TOTAL LIABILITIES	48.9	44.8	50.3	43.2	51.8	44.2
EQUITY (NET WORTH)	51.0	55.2	49.7	56.8	49.3	53.6
INCOME STATEMENT (2)						
Net Sales	100.0	100.0	100.0	100.0	100.0	100.0
Direct Materials	42.2	43.5	38.4	32.6	45.7	40.9
Direct Labor	10.8	11.3	12.8	15.6	10.0	10.3
Indirect Labor	6.3	4.1	7.5	10.5	5.8	5.8
Manufacturing Personnel Fringe Benefits	3.9	2.8	5.2	5.2	3.6	4.4
Depreciation Expense	3.3	2.4	2.7	4.0	4.3	2.7
Other Manufacturing Expense	11.8	9.7	10.9	10.4	11.7	14.3
Total Production Related Expenses (COGS)	78.2	73.5	77.9	78.3	80.7	78.4
GROSS MARGIN	21.8	26.5	22.1	21.7	19.3	21.6
Sales Salaries, Commissions, Fringe Benefits	3.3	6.1	2.5	2.4	3.6	2.3
Other Selling Expense	1.8	2.9	1.3	1.4	1.4	1.0
Administrative Expense (includes Engineering & R&D Salaries)	9.0	10.5	10.4	13.7	6.7	8.9
Other Engineering/R&D Expense	0.6	0.6	0.8	0.1	0.5	1.0
Total Non-Production Related Expenses (SG&A)	14.5	20.4	13.4	17.6	11.9	13.3
OPERATING MARGIN	7.3	6.0	8.7	4.1	7.3	8.3
Interest Expense (Income)	1.2	1.5	1.5	1.0	1.5	0.8
Other Expense (Income)	0.4	0.4	0.1	(0.1)	0.2	0.4
Profit Before Income Taxes	5.8	4.4	7.1	3.1	5.7	7.1
Income Taxes	1.4	1.1	2.1	0.1	0.9	2.0
Profit After Income Taxes	4.4	3.8	5.7	3.0	4.2	5.1

Some companies did not respond to every line item, therefore the sum of the average breakouts may not equal the average total.
(1) Averages as a percent of Total Assets.
(2) Averages as a percent of Net Sales.

S T A T I S T I C A L D A T A (3) [Number of Responses]	TOTAL [157]	END USE APPLICATION				
		CONSTRUCTION [19]	ELECTRICAL [11]	ELECTRONICS [10]	PACKAGING [31]	TRANS-PORTATION [28]
Net Sales/Average Number Employees	$103,943	$109,648	$81,771	$60,440	$114,275	$97,326
Net Sales/All Employee Hours	$52	$52	$40	$31	$57	$51
Net Sales/Production Worker Hours	$82	$81	$64	$57	$89	$74
Total Employment Costs/Net Sales	29.7%	30.0%	36.6%	41.9%	26.0%	28.7%
Production Worker Employment Costs/Net Sales	21.0%	18.1%	25.5%	31.3%	19.4%	20.4%
Total Employment Costs/LBS. Processed	$1.06	$0.81	$1.73	$1.80	$0.60	$1.31
Production Worker Employment Costs/LBS. Processed	$0.74	$0.47	$0.92	$1.30	$0.41	$0.89
COGS/LBS. Processed	$2.67	$1.70	$3.30	$3.88	$1.73	$3.38
Productive Machine Hrs./Available Machine Hrs.	54.8%	48.3%	52.3%	51.1%	54.1%	60.8%
Inventory Turnover (times)	11.2	8.5	8.9	9.2	12.1	13.1
Average Collection Period (days)	49	48	48	54	41	48
Return on Assets (before tax)	12.6%	8.9%	15.5%	9.4%	11.8%	16.7%
Return on Equity (before tax)	35.6%	24.5%	36.1%	20.2%	25.4%	71.4%
Return on Assets (after tax)	9.6%	8.6%	12.1%	7.9%	8.8%	12.0%
Return on Equity (after tax)	29.4%	23.6%	26.5%	15.5%	20.5%	60.8%
Percent Change in Net Sales 1987-1988	21.4%	19.5%	14.5%	8.6%	25.1%	20.3%

(3) Each average is calculated using only those companies providing data necessary for the respective calculation.

BALANCE SHEET (1) [Number of Responses]	TOTAL [157]	REGION			
		NORTHEAST [28]	NORTHCENTRAL [77]	SOUTH [32]	WEST [18]
Cash and Marketable Securities	5.6	5.6	5.5	2.9	9.9
Accounts Receivable	27.4	27.9	26.7	27.0	29.2
Raw Materials	11.3	9.6	11.4	11.1	12.4
Work in Progress	2.7	2.9	3.0	2.0	2.6
Finished Goods	7.9	5.9	7.7	9.4	8.5
LIFO Reserve	(1.4)	(0.3)	(2.4)	(0.5)	(0.2)
Inventory, Total	20.2	18.1	19.5	22.3	22.6
Packaging & Shipping Supplies	0.4	0.6	0.4	0.3	0.4
Other	2.7	3.4	2.8	2.3	2.2
Other Current Assets, Total	3.1	3.8	3.3	2.6	2.5
TOTAL CURRENT ASSETS	55.3	55.3	54.5	50.3	64.3
Land and Buildings (net of depreciation)	11.5	9.3	12.1	14.8	8.1
Machinery and Equipment (net of depreciation)	26.3	27.2	25.7	28.2	25.8
Other Long Term Assets	6.5	8.2	7.6	4.7	1.6
TOTAL ASSETS	100.0	100.0	100.0	100.0	100.0
Accounts Payable	16.7	15.6	18.6	13.7	14.4
Other Current Liabilities	9.0	5.9	9.5	9.4	9.8
Notes Payable	9.4	4.3	9.0	15.5	9.5
Current Portion of Long Term Debt	4.5	6.1	4.3	4.4	4.0
TOTAL CURRENT LIABILITIES	39.8	32.0	41.7	42.9	38.0
Long Term Debt (less current portion)	9.5	9.5	10.1	8.5	7.1
TOTAL LIABILITIES	48.9	41.5	51.0	51.4	45.1
EQUITY (NET WORTH)	51.0	58.5	48.3	48.6	56.4
INCOME STATEMENT (2)					
Net Sales	100.0	100.0	100.0	100.0	100.0
Direct Materials	42.2	36.0	43.7	45.2	38.8
Direct Labor	10.8	13.7	9.9	10.2	12.1
Indirect Labor	6.3	6.0	6.9	5.9	5.2
Manufacturing Personnel Fringe Benefits	3.9	4.1	4.1	3.1	4.1
Depreciation Expense	3.3	3.6	3.3	3.7	2.7
Other Manufacturing Expense	11.8	12.6	11.6	11.9	12.0
Total Production Related Expenses (COGS)	78.2	76.1	79.2	79.8	74.7
GROSS MARGIN	21.8	23.9	20.8	20.2	25.3
Sales Salaries, Commissions, Fringe Benefits	3.3	3.7	2.9	3.6	3.8
Other Selling Expense	1.8	1.9	1.7	1.5	1.7
Administrative Expense (includes Engineering & R&D Salaries)	9.0	10.4	8.2	8.7	10.6
Other Engineering/R&D Expense	0.6	0.2	0.8	0.5	0.5
Total Non-Production Related Expenses (SG&A)	14.5	16.0	13.4	14.5	16.2
OPERATING MARGIN	7.3	7.8	7.5	5.7	9.0
Interest Expense (Income)	1.2	1.3	1.2	1.3	0.6
Other Expense (Income)	0.4	0.5	0.2	0.8	0.3
Profit Before Income Taxes	5.8	5.9	6.0	3.8	8.1
Income Taxes	1.4	1.4	1.3	1.0	2.3
Profit After Income Taxes	4.4	4.7	4.5	3.1	5.2

Some companies did not respond to every line item, therefore the sum of the average breakouts may not equal the average total.
(1) Averages as a percent of Total Assets.
(2) Averages as a percent of Net Sales.

STATISTICAL DATA (3) [Number of Responses]	TOTAL [157]	REGION			
		NORTHEAST [28]	NORTHCENTRAL [77]	SOUTH [32]	WEST [18]
Net Sales/Average Number Employees	$103,943	$82,749	$106,615	$123,778	$92,642
Net Sales/All Employee Hours	$52	$41	$55	$61	$44
Net Sales/Production Worker Hours	$82	$69	$83	$94	$67
Total Employment Costs/Net Sales	29.7%	34.4%	28.7%	27.6%	30.3%
Production Worker Employment Costs/Net Sales	21.0%	23.8%	20.9%	19.3%	21.2%
Total Employment Costs/LBS. Processed	$1.06	$1.19	$0.92	$1.05	$1.21
Production Worker Employment Costs/LBS. Processed	$0.74	$0.81	$0.68	$0.71	$0.89
COGS/LBS. Processed	$2.67	$2.91	$2.38	$2.66	$3.06
Productive Machine Hrs./Available Machine Hrs.	54.8%	53.7%	56.2%	52.4%	55.8%
Inventory Turnover (times)	11.2	12.1	12.1	9.8	8.9
Average Collection Period (days)	49	53	46	53	43
Return on Assets (before tax)	12.6%	12.8%	12.6%	8.7%	18.3%
Return on Equity (before tax)	35.6%	20.8%	43.5%	23.3%	39.9%
Return on Assets (after tax)	9.6%	10.2%	9.5%	7.5%	12.1%
Return on Equity (after tax)	29.4%	15.6%	36.9%	19.0%	27.1%
Percent Change in Net Sales 1987-1988	21.4%	17.8%	20.3%	27.1%	23.2%

(3) Each average is calculated using only those companies providing data necessary for the respective calculation.

BALANCE SHEET (1) [Number of Responses]	TOTAL [157]	SHEET MOLDING COMPOUNDS (SMC) MOLDERS [14]	CUSTOM SHEET EXTRUDERS [13]
Cash and Marketable Securities	5.6	1.9	7.8
Accounts Receivable	27.4	24.8	24.0
Raw Materials	11.3	7.7	14.7
Work in Progress	2.7	5.3	0.2
Finished Goods	7.9	5.8	7.1
LIFO Reserve	(1.4)	(1.2)	(4.0)
Inventory, Total	20.2	17.4	18.0
Packaging & Shipping Supplies	0.4	0.5	0.3
Other	2.7	2.9	2.6
Other Current Assets, Total	3.1	4.3	2.7
TOTAL CURRENT ASSETS	55.3	48.3	52.5
Land and Buildings (net of depreciation)	11.5	14.2	13.8
Machinery and Equipment (net of depreciation)	26.3	29.2	22.2
Other Long Term Assets	6.5	8.3	11.6
TOTAL ASSETS	100.0	100.0	100.0
Accounts Payable	16.7	20.9	15.9
Other Current Liabilities	9.0	11.4	8.3
Notes Payable	9.4	4.9	3.8
Current Portion of Long Term Debt	4.5	1.5	2.0
TOTAL CURRENT LIABILITIES	39.8	38.7	30.0
Long Term Debt (less current portion)	9.5	6.5	7.0
TOTAL LIABILITIES	48.9	45.2	37.0
EQUITY (NET WORTH)	51.0	54.8	63.0
INCOME STATEMENT (2)			
Net Sales	100.0	100.0	100.0
Direct Materials	42.2	39.6	57.6
Direct Labor	10.8	12.3	5.2
Indirect Labor	6.3	6.9	4.2
Manufacturing Personnel Fringe Benefits	3.9	6.3	2.3
Depreciation Expense	3.3	2.7	2.5
Other Manufacturing Expense	11.8	14.3	7.4
Total Production Related Expenses (COGS)	78.2	82.1	78.7
GROSS MARGIN	21.8	17.9	21.3
Sales Salaries, Commissions, Fringe Benefits	3.3	2.1	2.4
Other Selling Expense	1.8	1.1	1.9
Administrative Expense (includes Engineering & R&D Salaries)	9.0	6.3	6.9
Other Engineering/R&D Expense	0.6	1.0	0.8
Total Non-Production Related Expenses (SG&A)	14.5	10.5	11.8
OPERATING MARGIN	7.3	7.5	9.5
Interest Expense (Income)	1.2	0.9	0.6
Other Expense (Income)	0.4	(0.1)	0.5
Profit Before Income Taxes	5.8	6.7	8.4
Income Taxes	1.4	2.3	2.1
Profit After Income Taxes	4.4	4.5	6.5

Some companies did not respond to every line item, therefore the sum of the average breakouts may not equal the average total
(1) Averages as a percent of Total Assets.
(2) Averages as a percent of Net Sales.

S T A T I S T I C A L D A T A (3) [Number of Responses]	TOTAL [157]	SHEET MOLDING COMPOUNDS (SMC) MOLDERS [14]	CUSTOM SHEET EXTRUDERS [13]
Net Sales/Average Number Employees	$103,943	$121,828	$190,781
Net Sales/All Employee Hours	$52	$58	$95
Net Sales/Production Worker Hours	$82	$79	$153
Total Employment Costs/Net Sales	29.7%	31.8%	18.8%
Production Worker Employment Costs/Net Sales	21.0%	25.5%	11.7%
Total Employment Costs/LBS. Processed	$1.06	$1.33	$0.25
Production Worker Employment Costs/LBS. Processed	$0.74	$0.95	$0.16
COGS/LBS. Processed	$2.67	$3.22	$0.95
Productive Machine Hrs./Available Machine Hrs.	54.8%	58.8%	68.0%
Inventory Turnover (times)	11.2	13.9	16.0
Average Collection Period (days)	49	48	41
Return on Assets (before tax)	12.6%	13.6%	16.4%
Return on Equity (before tax)	35.6%	38.9%	24.9%
Return on Assets (after tax)	9.6%	9.2%	13.2%
Return on Equity (after tax)	29.4%	25.2%	20.9%
Percent Change in Net Sales 1987-1988	21.4%	11.4%	22.2%

(3) Each average is calculated using only those companies providing data necessary for the respective calculation.

APPENDIX A

Formulas For Specified Statistical Ratios

Total Employment Costs/Net Sales:

Direct Labor + Indirect Labor + Manufacturing Personnel Fringe Benefits + Sales Salaries, Commissions, Fringe Benefits + Administrative Salaries & Wages + Administrative Fringe Benefits / Net Sales

Production Worker Employment Costs/Net Sales:

Direct Labor + Indirect Labor + Manufacturing Fringe Benefits / Net Sales

Total Employment Costs/Lbs Processed:

Direct Labor + Indirect Labor + Manufacturing Personnel Fringe Benefits + Sales Salaries, Commissions, Fringe Benefits + Administrative Salaries & Wages + Administrative Fringe Benefits / Lbs Processed

Production Worker Employment Costs/Lbs Processed

Direct Labor + Indirect Labor + Manufacturing Fringe Benefits / Lbs Processed

COGS/Lbs Processed:

Total Production Related Expenses / Lbs Processed

Inventory Turnover (Times):

Total Production Related Expenses / Inventory

Average Collection Period:

Accounts Receivable x 365 / Net Sales

Return on Assets (before tax):

Profit Before Tax / Total Assets

Return on Equity (before tax):

Profit Before Tax / Equity

Return on Assets (after tax):

Profit After Tax / Total Assets

Return on Equity (after tax):

Profit After Tax / Equity

Also, the information presented here can be used to determine liquidity, coverage and leverage. A series of ratios to be calculated are listed below and their function is briefly described.

Liquidity ratios test the short-term financial position.

Current Ratio:

Current Assets / Current Liabilities is a rough indication of a firm's ability to meet its immediate obligations. Composition and quality of the assets are as important as the absolute ratio.

Quick Ratio:

Cash & Equivalents + Receivables / Current Liabilities is a more conservative measure of liquidity. A value of unity means that all current obligations can be met without having to convert any inventory to sales.

Coverage Ratios measure ability to service debt.

EBIT/Interest

Profit Before Income Taxes + Interest Paid / Interest Paid is a measure of a firm's ability to meet interest payments on its debt. A high ratio indicates little difficulty in meeting such obligations, and an ability to handle more debt.

Cash Flow/Current Maturities

Profit After Income Taxes + Depreciation / Current Portion of Long-Term Debt measures the firm's ability to handle the retirement of its debt. Although all cash is not available for debt service, it is perhaps the highest priority use, and a ratio less than unity would be cause for concern.

Leverage ratios measure the vulnerability of a firm during business downturns as well as potentially favorable tax consequences during periods of high volume.

Debt/Worth:

Total Liabilities / Net Worth expresses the degree of protection for the creditors provided by the owners of the firm. A ratio of unity indicates a reasonable balance between long-term financial safety and aggresive application of the firm's resources.

Fixed/Worth:

Net Fixed Assets / Net Worth measures the extent to which equity capital has been invested in plant and equipment. The presence of leased assets now shown on the Balance Sheet may alter the implication of this ratio substantially.

APPENDIX B

LIST OF PARTICIPANTS

ADMO, INCORPORATED
SCHAUMBURG, IL 60193

AKEMI PLASTICS, INC.
EATON RAPIDS, MI 48827

ALLEN EXTRUDERS, INC.
HOLLAND, MI 49423

AMERON - FIBERGLASS PIPE DIV.
HOUSTON, TX 77280

AMEX PACKAGING, LIMITED
MOORESVILLE, NC 28115

ANAHEIM CUSTOM EXTRUDERS, INC.
ANAHEIM, CA 92806

ANCHOR TOOL & PLASTICS, INC.
MINNEAPOLIS, MN 55427

APPLIED COMPOSITES
ST. CHARLES, IL 60174

ARCHBOLD FOAM COMPANY
ARCHBOLD, OH 43502

ATLAS ALCHEM PLASTICS
CAPE GIRARDEAU, MO 63701

AUTOMATIC MOLDED PLASTICS, INC.
SOUTH BEND, IN 46628

BALL UNIMARK PLASTICS INC.
GREENVILLE, SC 29602

BAUER CORPORATION
WOOSTER, OH 44691

BIRD INCORPORATED
BARDSTOWN, KY 40004

THE BUDD COMPANY
MADISON HTS., MI 48071

BUSADA MANUFACTURING CORP.
LOUISA, VA 23093

CADILLAC PRODUCTS, INC.
TROY, MI 48083

CONSOLIDATED METCO INC.
CASHIERS, NC 28717

CHEMGRATE CORPORATION OF WASH.
WOODINVILLE, WA 98011

CHILI PLASTICS, INC.
ROCHESTER, NY 14624

CHURCHILL CONTAINER
SHAWNEE, KS 66218

CLEARPLASS CONTAINERS, INC.
LYONS, NY 14489

COASTAL ENGINEERED PRODUCTS
VARNVILLE, SC 29944

COLGATE PLASTICS CORP.
BUFFALO, NY 14220

CONTOUR PRODUCTS
KANSAS CITY, KS 66102

CRANE PLASTICS CO.
COLUMBUS, OH 43216

CREATIVE PULTRUSIONS, INC.
ALUM BANK, PA 15521

CRESCENT PLASTICS, INC.
EVANSVILLE, IN 47711

CROSBY MANUFACTURING COMPANY
CROSBY, MN 56441

CROSSLINK TECHNOLOGY INC.
TORONTO, ONTARIO, CANADA M9W 5Y6

CROWN DIVISION OF THE ALLEN GROUP
WOOSTER, OH 44691

CUPS ILLUSTRATED INC.
LANCASTER, TX 75134

CUSTOM PACK, INC.
MALVERN, PA 19355

CYANEDE PLASTICS, INC.
HENDERSON, KY 42420

CYRO INDUSTRIES
MT. ARLINGTON, NJ 07856

DANA MOLDED PRODUCTS INC.
ARLINGTON HEIGHTS, IL 60006

DEKALB MOLDED PLASTICS
BUTLER, IN 46721

DICKTEN & MASCH MANUFACTURING
NASHOTAH, WI 53058

DIMCO GRAY COMPANY
CENTERVILLE, OH 45458

DREW FOAM COMPANIES INC.
MONTICELLO, AR 71655

ELECTRO-GENERAL PLASTICS CORP.
CLEVELAND, OH 44120

ESSEF CORPORATION
STATESVILLE, NC 28677

FABRI-KAL CORP.
KALAMAZOO, MI 49001

FEDERAL MOLDING COMPANY
SANFORD, NC 27330

FIBERGRATE CORP.
DALLAS, TX 75381

FIBERNETICS
COMPTON, CA 90220

FLECK COMPANY INC.
AUBURN, WA 98002

FOAM MOLDING CO. OF ARKANSAS
ROGERS, AK 72756

FOAMTEK INC.
BATAVIA, IL 60510

FORM PAC CORP.
SANDUSKY, OH 44870

GARLOCK, INC.
CAMDEN, NJ 08101

THE GENERAL INDUSTRIES CO.
ELYRIA, OH 44036

GLASTIC CORP.
CLEVELAND, OH 44121

GR TECHNICAL SERVICE
MOUNTAINSIDE, NJ 07092

G.W. FIBERGLASS, INC.
O'FALLON, MO 63366

GW PLASTICS INC.
SOUTH ROYALTON, VT 05068

HALL MANUFACTURING CORP.
RINGWOOD, NJ 07456

HAYSITE REINFORCED PLASTICS
ERIE, PA 16509

HI-TECH MOLD & TOOL INC.
PITTSFIELD, MA 01201

HOFFER PLASTICS CORP.
S. ELGIN, IL 60177

HOPPLE PLASTICS INC.
FLORENCE, KY 41042

HUGHES PLASTICS INC.
ST. JOSEPH, MI 49085

HURON PLASTICS GROUP INC.
ST. CLAIR, MI 48079

INNOVATIVE PLASTICS CORP.
ORANGEBURG, NY 10962

JOHNSON CONTROLS INC.
MANCHESTER, MI 68158

KAYSUN CORP.
MANITOWOC, WI 54221

KIEHL ENGINEERING CO. INC.
BENSENVILLE, IL 60106

KING PLASTICS INC.
ORANGE, CA 92668

K & M PLASTICS INC.
ELK GROVE VILLAGE, IL 60007

LANDIS PLASTICS
CHICAGO RIDGE, IL 60415

LEXALITE INTERNATIONAL CORP.
CHARLEVOIX, MI 49720

LIBERTY POLYGLASS INC.
WEST MIFFLIN, PA 15122

MASTER INDUSTRIES INC.
ANSONIA, OH 45303

MASTER SHIELD INC.
WEATHERFORD, TX 76086

MENASHA CORP./MPD
WATERTOWN, WI 53094

MFG JUSTIN TANKS INC.
GEORGETOWN, DE 19947

MOLDED CONTAINER CORP.
PORTLAND, OR 97202

MOLDED FIBER GLASS COMPANIES
ASHTABULA, OH 44004

MONARCH MOLDERS INC.
MONROE, OH 45051

MORRISON MOLDED FIBER GLASS
BRISTOL, VA 24203

NATIONAL PLASTICS CORP.
FORT WAYNE, IN 46825

NEW ENGLAND PLASTICS CORP.
WOBURN, MA 01801

NICHOLAS PLASTICS
GRAND RAPIDS, MI 49501

NORTHWEST FOAM PRODUCTS INC.
TWIN FALLS, ID 83301

NORTHWOOD INDUSTRIES INC.
TRAVERSE CITY, MI 49684

PACIFIC ALLIED PRODUCTS LTD.
EWA BEACH, HI 96707

PACIFIC PLASTIC TECHNOLOGY INC.
S. EL MONTE, CA 91733

PACKER PLASTICS INC.
LAWRENCE, KS 66044

PACTUCO
GOLETA, CA 93117

THE PHILLIPS MANUFACTURING CO.
CANTON, MA 02021

PLAS-TANKS INDUSTRIES INC.
FAIRFIELD, OH 45014

PLASTIC ENTERPRISES CO. INC.
INDEPENDENCE, MO 64051

PLASTIC INDUSTRIES INC.
ATHENS, TN 37303

PLASTIC INGENUITY INC.
CROSS PLAINS, WI 53528

THE PLASTIC MOLDINGS CORP.
CINCINNATI, OH 45214

PLEXCO/AMSTED INDEPENDENT INC.
FRANKLIN PARK, IL 60131

POLYCAST TECHNOLOGY CORP.
MISHAWAKA, IN 46544

POLYFOAM PACKERS CORP.
WHEELING, IL 60090

POLYMER CONVERSIONS INC.
BUFFALO, NY 14227

POLY-TEX CO.
OAKMONT, PA 15913

PRECISION CUSTOM PRODUCTS INC.
DEGRAFF, OH 43318

PRECISION SOUTHEAST INC.
MYRTLE BEACH, SC 29578

PREMIX INC.
ASHTABULA, OH 44004

PRENT CORP.
JANESVILLE, WI 53547

PRIMEX PLASTICS CORP.
GARFIELD, NJ 07026

PROGRESS PLASTICS
AUBURNDALE, FL 33823

PROGRESSIVE PLASTICS INC.
CLEVELAND, OH 44135

PUGET CORPORATION OF OREGON
PORTLAND, OR 97723

QUALITY PLASTICS CO. INC.
NEWBURG, OR 97132

RECTO MOLDED PRODUCTS INC.
CINCINNATI, OH 45209

REGAL PLASTIC CO.
KANSAS CITY, MO 67127

LW REINHOLD PLASTICS INC.
LOS ANGELES, CA 90003

RICHMOND PLASTICS INC.
RICHMOND, VA 23225

ROCKWELL INTERNATIONAL
TROY, MI 48084

ROSTONE CORP.
LAFAYETTE, IN 47903

SANDUSKY PLASTICS
SANDUSKY, OH 44870

SEAQUIST PLASTICS
MUKWONAGO, WI 53149

C. E. SHEPHERD CO., INC.
HOUSTON, TX 77261

SNOW CORP.
FORT WORTH, TX 76107

SNYDER INDUSTRIES INC.
LINCOLN, NE 68504

SOUTHERN PLASTIC MOLD INC.
ANAHEIM, CA 92806

SOUTHERN PLASTICS CO.
COLUMBIA, SC 29202

SPIR-IT INC.
WAKEFIELD, MA 01880

STANDARD OIL ENGIN. MAT. CO.
HAWTHORNE, CA 90250

STEINWALL INC.
FRIDLEY, MN 55432

SUNBEAM PLASTICS CORP.
EVANSVILLE, IN 47711

SUNRISE INDUSTRIES
DUNDEE, NY 14837

SURATCO PRODUCTS CO.
POYNETTE, WI 53955

TECHFORM INC.
MT. AIRY, NC 27030

TECH-WAY INDUSTRIES INC.
FRANKLIN, OH 45005

TELEFLEX FLUOROPLASTICS
JAFFREY, NH 03452

TEMPRESS INC.
SEATTLE, WA 98108

TETRA PLASTICS INC.
CHESTERFIELD, MO 63005

TEXTEK PLASTICS INC.
SAN ANTONIO, TX 78227

THERMOPLASTIC MOLDERS INC.
OKLAHOMA CITY, OK 73116

TRANS PLASTICS INC.
CONNEAUT, OH 44030

TRANSPARENT CONTAINER COMPANY
BERKELEY, IL 60163

TRIQUEST CORP.
VANCOUVER, WA 98661

UNITED SOUTHERN INDUSTRIES INC.
FOREST CITY, NC 28043

VAN NORMAN MOLDING CO.
BRIDGEVIEW, IL 60455

VARIFORM INC.
KEARNEY, MO 64060

VERMONT PLASTICS INC.
MONTPELIER, VT 05602

VERMONT REPUBLIC INDUSTRIES
ST. ALBANS, VT 05478

VINYL PLASTICS INC.
SHEBOYGAN, WI 53082

VYTEC CORP.
LONDON, CANADA N6N 1A9

WEDCO INC.
BLOOMSBURY, NJ 08804

WJ WHATLEY INC.
COMMERCE CITY, CO 80022

WILDEN INTERNATIONAL PLASTICS
MONTPELIER, VT 05602

WINZEN INTERNATIONAL INC.
SAN ANTONIO, TX 78249

WITT PLASTICS INC.
GREENVILLE, OH 45331

APPENDIX C

The Society of the
Plastics Industry, Inc.

SPI

SURVEY QUESTIONNAIRE - 1988 FINANCIAL AND OPERATING RATIO SURVEY, NO. 27

CONFIDENTIAL - For Plastics Processing Companies

Company Code _____

Company (Plant) Location: City _____ State _____

This is the questionnaire for the twenty-seventh annual Financial and Operating Ratio Survey for custom or proprietary plastics processing firms engaged in compression, blow, or injection molding; extrusion; reinforced plastics; or other methods of processing. Changes have been made to the survey to provide better industry information while keeping the questionnaire fairly simple to complete. Please complete the questionnaire as comprehensively as possible. If you have any questions regarding this survey please call Mr. Tim Atkinson at (202) 862-5272 or Mr. Paul Korz at (202) 862-5259.

This survey covers statements for the calendar year 1988 or closest fiscal year. If you have separate operations engaged in different processes (eg. an injection molding plant and an extrusion plant) or different businesses (eg. a custom compression molding plant and a proprietary injection plant), please complete a separate questionnaire for each operation. If you are a division or plant in a multiproduct company where it is not possible to extract all balance sheet items, mark N.A. on such line items. If precise calculations are too difficult, reasonable estimates are acceptable.

As more processors convert to 6 and 7-day work weeks, it has been decided to reflect maximum capacity as 365 days less 10 holidays = 355 days X 24 hours = 8,500 Total Available Machine Hours.

ALL INDIVIDUAL COMPANY RESPONSES WILL BE HELD IN STRICTEST CONFIDENCE. Please return completed questionnaires by April 15, 1989 to ERNST & WHINNEY in the preaddressed postage paid envelope enclosed. All participants will receive a copy of the final report. Please make a copy of completed questionnaires for your records.

This survey is sponsored by SPI's FINANCIAL MANAGEMENT COMMITTEE.

Please return one copy
of this questionnaire to:

ERNST & WHINNEY
Association Services Group
1225 Connecticut Avenue, N.W.
Washington, D.C. 20036
FAX: (202) 862-6200

PLEASE RETURN BY

APRIL 15, 1989

STATISTICAL DATA

1. TOTAL ASSETS (in thousands of dollars) ..... _____ ($000's)
2. NET SALES (in thousands of dollars) ..... _____ ($000's)

3. Average Number of Employees ..... _____ employees
4. All Employee Man Hours ..... _____ hrs
5. Production Worker Man Hours (Hourly paid employees assigned to manufacturing) ..... _____ hrs
6. Total Available Machine Hours (assume 8,500 hrs/yr available per primary machine) ..... _____ hrs
7. Total Productive Machine Hours ..... _____ hrs
8. Total Pounds Processed ..... _____ lbs

9. In 1988 what was your company's percentage change in Net Sales as compared to 1987? _____% (Note + or -)

10. What was the percentage distribution of your 1988 sales by PROCESS TYPE?

Blow Molding	_____ %	Pultrusion	_____ %
Compression/Transfer Molding	_____ %	Thermoforming	_____ %
Extrusion	_____ %	Other	_____ % (Describe _____)
Foam Molding	_____ %		
Injection Molding	_____ %	TOTAL 100.0	% (must sum to 100%)

11. Approximately what percentage of your 1988 sales were custom or proprietary?

Custom	_____ %
Proprietary	_____ %
TOTAL 100.0	% (must sum to 100%)

12. In 1988, what was the percentage distribution of your sales by END-USE APPLICATION?

Appliances	_____ %	Packaging	_____ %
Business Equipment	_____ %	Pipe & Fittings	_____ %
Construction (excl. pipe/fittings)	_____ %	Siding	_____ %
Electrical	_____ %	Toys	_____ %
Electronics	_____ %	Transportation	_____ %
Furniture	_____ %	Other	_____ % (Describe _____)
Housewares	_____ %		
Medical	_____ %	TOTAL 100.0	% (must sum to 100%)

13. If you are a molder of SMC, please check here _____.

14. If you are a custom sheet extruder, please check here _____.

15. If you are a thermoformer, please check here _____.

BALANCE SHEET

All figures to one decimal place, as a percent of Total Assets

1. Cash and Marketable Securities ..... _____ %

2. Accounts Receivable ..... _____ %

3. Inventory, Total ..... _____ %
   - 3.A. Raw Materials ..... _____ %
   - 3.B. Work in Progress ..... _____ %
   - 3.C. Finished Goods ..... _____ %
   - 3.D. LIFO Reserve (if applicable) ..... _____ %

4. Current Assets, Total ..... _____ %
   - 4.A. Packaging & Shipping Supplies ..... _____ %
   - 4.B. Other Current Assets ..... _____ %

5. Land and Buildings (net of accumulated depreciation) ..... _____ %

6. Machinery and Equipment (net of accumulated depreciation) ..... _____ %

7. Other Long Term Assets ..... _____ %

8. TOTAL ASSETS ..... 100.0 %

9. Accounts Payable ..... _____ %

10. Current Portion of Long Term Debt ..... _____ %

11. Other Current Liabilities ..... _____ %

12. Notes Payable ..... _____ %

13. Other Long Term Debt ..... _____ %

14. Equity (Net Worth) ..... _____ %

15. TOTAL LIABILITIES AND NET WORTH ..... 100.0 %

PLEASE TURN OVER AND COMPLETE INCOME STATEMENT

I N C O M E S T A T E M E N T

All figures to one decimal place, as a percent of Net Sales

1. NET SALES ..... 100.0 %

PRODUCTION RELATED EXPENSES

2. Direct Labor (excluding fringe benefits) ..... _____ %
3. Indirect Labor (excluding fringe benefits) ..... _____ %
4. Manufacturing Personnel Fringe Benefits ..... _____ %
5. Direct Materials ..... _____ %
6. Depreciation Expense ..... _____ %
7. Other Manufacturing Expense ..... _____ %
8. Total Production Related Expense (Sum of lines 2 through 7) ..... _____ %

NON-PRODUCTION RELATED EXPENSES

9. Sales Salaries ..... _____ %
10. Sales Commissions ..... _____ %
11. Sales Fringe Benefits ..... _____ %
12. Administrative Salaries & Wages (include engineering, R&D, other) ..... _____ %
13. Administrative Fringe Benefits ..... _____ %
14. Administrative Expense (excluding compensation & fringe benefits) ..... _____ %
15. Other Selling Expense (excluding salaries & fringe benefits) ..... _____ %
16. Engineering Expense (excluding salaries & fringe benefits) ..... _____ %
17. Research & Development Expense (exluding salaries & fringe benefits) ..... _____ %
18. Total Non-Production Related Expense (Sum of lines 9 through 17) ..... _____ %
19. Interest Expense or (Income) ..... _____ %
20. Other Expense or (Income) ..... _____ %
21. Profit Before Income Taxes ..... _____ %
22. Income Taxes ..... _____ %
23. Profit After Income Taxes ..... _____ %

THANK YOU FOR YOUR PARTICIPATION

PLEASE RETURN THIS QUESTIONNAIRE BY APRIL 15, 1989

DEFINITIONS

BALANCE SHEET

1. **Cash** - Currency and coins, negotiable checks, and balances in bank accounts, and any marketable securities.

2. **Accounts Receivable** - Current (less than one year) trade accounts with amounts owed to company.

3. **Inventory, Total** - Total of 3.A., 3.B., 3.C. and 3.D. or total as carried in accounting records, if breakout is not available.

3.A. **Raw Materials** - Unused materials from which manufactured products are to be made.

3.B. **Work in Progress** - Partially completed manufactured products.

3.C. **Finished Goods** - Compleced but unsold manufactured products.

3.D. **LIFO Reserve** - Current or FIFO historical cost of ending inventory less LIFO historical cost.

4. **Current Assets, Total** - Total of 4.A. and 4.B. or total as carried in accounting records, if breakout is not available.

4.A. **Packaging & Shipping Supplies** - Inventory of supplies applied directly to the packaging and shipping of manufactured products.

4.B. **Other Current Assets** - Prepayments, receivables other than trade accounts and notes, manufacturing supplies, spare parts, small tools, office supplies, etc.

5. **Land and Buildings** - Factory buildings, store buildings, garages, warehouses and other facilities. Site at cost, net of accumulated depreciation.

6. **Machinery and Equipment** - Machinery and Equipment, with life of more than one year, valued at cost, net of accumulated depreciation.

7. **Other Long Term Assets** - Assets, other than those specifically listed in the questionnaire, which are expected to last more than one year including capitalized leases, goodwill, etc.

9. **Accounts Payable** - Amounts owed for goods or services, related to a firm's primary activity, under an informal credit agreement — usually payable within one or two months.

10. **Current Portion of Long-Term Debt** - Long-term debt falling due within one year of the balance sheet date.

11. **Other Current Liabilities** - Other amounts due to company not classified in line items 9 and 10.

12. **Notes Payable** - The face amount of promissory notes given in connection with loans from the bank or the purchase of goods or services.

13. **Other Long-Term Debt** - Obligations having due dates, or maturities, more than one year after the balance sheet date.

14. **Equity** - The difference between total assets and total liabilities.

INCOME STATEMENT

1. **Net Sales** - Sales at gross invoice amount less return allowances, freight paid for customers and discounts taken.

2. **Direct Labor** - Cost of labor, excluding fringe benefits, applied and assigned directly to the manufacturing function.

3. **Indirect Labor** - Cost, excluding fringe benefits, of hourly and salaried labor that is not directly applied to, but assigned to the manufacturing function.

4. **Manufacturing Personnel Fringe Benefits** - Fringe benefits for both direct & indirect labor.

5. **Direct Materials** - Cost of material including inbound freight, applied and assigned directly to the manufacture of a product.

6. **Depreciation Expense** - The cost of assets used in manufacturing which is allocated to the period covered by the operating statement.

9. **Sales Salaries** - Salaries paid to company salespersons or other selling agents.

10. **Sales Commissions** - Commissions paid to salespersons or other selling agents. Do not include salaries of salespersons.

11. **Sales Fringe Benefits** - Fringe benefits applied to company salespersons and other selling agents.

12. **Administrative Salaries** - Salaries of company personnel not related to more specific functions such as manufacturing or selling. Includes Engineering & Research and Development salaries.

13. **Administrative Fringe Benefits** - Fringe benefit costs applied to personnel in line item 11.

14. **Administrative Expense** - An expense (not including salaries and fringe benefits) related to the enterprise as a whole as contrasted to expenses related to more specific functions such as manufacturing or selling.

15. **Other Selling Expenses** - Travel, Entertainment, Advertising, etc. (excluding salaries and fringe benefits).

16. **Engineering Expense** - Expense related specifically to engineering department. (excluding salaries and fringe benefits).

17. **Research and Development Expense** - Expenses for research -- activities aimed at discovering new knowledge in the hope that such activity will be useful in creating a new product, process or service. Expenses for development -- activities to translate research findings or other knowledge into a new or improved product, process or service. (excluding salaries and fringe benefits).

18. **Interest Expense or (Income)** - The difference between interest paid and interest received.

20. **Other Expense or (Income)** - The difference between outlays and receipts on transactions (other than receipt or payment of interest) not related to the primary purpose of the firm such as income or investments, gains or losses on sale of assets, etc.

21. **Profit Before Income Taxes** - Operating profit prior to income tax expense.

23. **Profit After Income Taxes** - Profit before income taxes less Federal income tax and other income taxes.

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